Waitrose Growth Highlights Bouyant Grocery Market

Contributed by Kantar TNS
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Peter East, Director, TNS Worldpanel, comments:

The latest TNS Worldpanel grocery market share figures, published today for the 12 weeks ending 17th May 2009, show the sector growing strongly at 5.8%. Â

Whilst growth has slowed down compared to the April figure of 6.2% it still represents robust growth, with the fall being attributable to lower grocery inflation.

Amongst the Big 4 retailers Morrisons lead the way with annual growth of 7.9%, taking their share up to 11.6% (compared to 11.4% last year). Sainsburyâ€™s with 7.8% growth and Asda with 7.2% growth follow closely behind, increasing their market shares to 16.3% and 17.1% respectively.

Tesco growth has improved slightly since April to 4.7% but as this is behind the market their share fell to 30.8% (compared to 31.1% last year).

Waitrose are showing signs of combating recessionary pressures with growth increasing to 4.0%, still slower than the market but an encouraging indication that customers are confident enough to shop at a premium retailer.

Waitrose will be looking at their increased sales growth as an early vindication of their â€˜Essentialsâ€™ range strategy.

The discount retailers (Aldi, Netto and Lidl) have taken their combined market share up to 6.1% (compared to 5.9% last year) but it is worth noting that their combined growth rate of 9.4% has slowed and is no longer running at twice that of the Big 4 retailers. Â

An update on inflation
Grocery price inflation has decreased since last month and the figure for the 12 week-ending period 17th May 2009 is 8.1%.

This figure is based on over 75,000 identical products compared year-on-year in the proportions purchased by British shoppers and therefore represents the most authoritative figure currently available.Â

It is a â€˜pureâ€™ inflation measure in that shopping behaviour is held constant between the two comparison periods â€“ shopp are likely to achieve a lower personal inflation rate as they trade down or seek out more offers.

To view the video commentary from Peter East or to get further information please visit http://worldwide.tns-global.com/groupmarketing/enewsletter/worldpanel/Worldpanel_Peter_East_May09_Market_Share.wmv

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